



County of Los Angeles CHIEF EXECUTIVE OFFICE

713 KENNETH HAHN HALL OF ADMINISTRATION
LOS ANGELES, CALIFORNIA 90012
(213) 974-1101
<http://ceo.lacounty.gov>

DAVID E. JANSSEN
Chief Executive Officer

July 3, 2007

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

ORDINANCE TO AMEND THE WATER PIPELINE FRANCHISE GRANTED TO PARK WATER COMPANY BY ORDINANCE NO. 2005-0077F (SECOND DISTRICT) (THREE VOTES)

IT IS RECOMMENDED THAT YOUR BOARD:

1. Approve an ordinance to amend the water pipeline franchise granted to Park Water Company (Park Water) by Ordinance No. 2005-0077F, to reflect Park Water's purchase of the water pipeline distribution system of La Hacienda Mutual Water Company (La Hacienda), and to include in Park Water's water service area the unincorporated territory formerly served by La Hacienda.
2. Introduce, waive reading, and place on your Board's agenda for adoption the accompanying ordinance (attached hereto as "Attachment 1"), which implements the above recommendation, becoming effective 30 days from adoption thereof.
3. Find that this project is categorically exempt under the California Environmental Quality Act (CEQA) pursuant to Class 1 of the Environmental Document Reporting Procedures and Guidelines adopted by your Board on November 17, 1987, and Section 15301 of the State CEQA Guidelines.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of the recommended actions is for your Board to adopt an ordinance to amend Park Water's existing water pipeline franchise, to reflect Park Water's purchase of the La Hacienda water pipeline distribution system, and to include in Park Water's water service area the unincorporated territory formerly served by La Hacienda.

Board of Supervisors
GLORIA MOLINA
First District

YVONNE B. BURKE
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

Implementation of Strategic Plan Goals

The County Strategic Plan directs that we provide the public with quality service that is beneficial and responsive (Goal 1). The Board's approval and adoption of an ordinance to amend the Park Water franchise is consistent with this goal.

FISCAL IMPACT/FINANCING

The purchase of the La Hacienda system will increase Park Water's annual commodity revenue and meter revenue by over \$25,000 per calendar year, and increase the annual franchise fee paid to the County by approximately \$500 per calendar year.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

In September 2005, your Board adopted Ordinance No. 2005-0077F, granting a 15-year water pipeline franchise to Park Water for all highways in the unincorporated territory of the County of Los Angeles, for water service areas in the Compton West and Compton East unincorporated areas, and for any additional unincorporated territory of the County that may be added to Park Water's water service areas during the term of the franchise.

Accordingly, in June 2006, Park Water filed an "Advice Letter" (191-W) with the California Public Utilities Commission (CPUC), which requested approval to include within its service area the water pipeline distribution system that Park Water proposed to purchase from La Hacienda, a mutual water company formed in 1939 to serve approximately 2,000 customers from 61 service connections in the Compton East unincorporated area.

Park Water's existing Compton East water service area surrounds the La Hacienda system on three sides and the City of Compton cannot acquire or provide water service to La Hacienda customers. In 1980, after a water well that served as La Hacienda's sole water supply was shut down due to water quality and age, Park Water began providing domestic water to La Hacienda through a master-meter interconnection under rates and conditions prescribed in Park Water's CPUC approved schedule for general meter service.

The CPUC approved Park Water's Advice Letter on August 28, 2006, authorizing Park Water to charge La Hacienda customers the same commodity rates that existed prior to the purchase, plus a service charge based upon the meter size for individual meters estimated to increase by 17 percent.

The Department of Public Works and the Fire Department have reviewed Park Water's request and have no objections. County Counsel has reviewed the accompanying ordinance to amend the Park Water franchise and approved it as to form.

The Honorable Board of Supervisors
July 3, 2007
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ENVIRONMENTAL DOCUMENTATION

This project is categorically exempt under CEQA pursuant to Class 1 of the Environmental Document Reporting Procedures and Guidelines adopted by your Board on November 17, 1987, and Section 15301 of the State CEQA Guidelines.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The recommended Board actions will not impact or adversely affect any current services or future projects.

CONCLUSION

Instruct the Executive Officer, Board of Supervisors, to send conformed copies of the approved Board recommendation and the adopted ordinance to Park Water Company, Attention: Ms. Jeanne-Marie Bruno, Senior VP and General Manager, Post Office Box 7002, Downey, CA 90241, and the offices of County Counsel, Department of Public Works, Fire Department, and the Chief Executive Office, Real Estate Division.

Respectfully submitted,



DAVID E. JANSSEN
Chief Executive Officer

DEJ:WLD
CB:RB:dd

Attachments

c: County Counsel
Department of Public Works
Fire Department

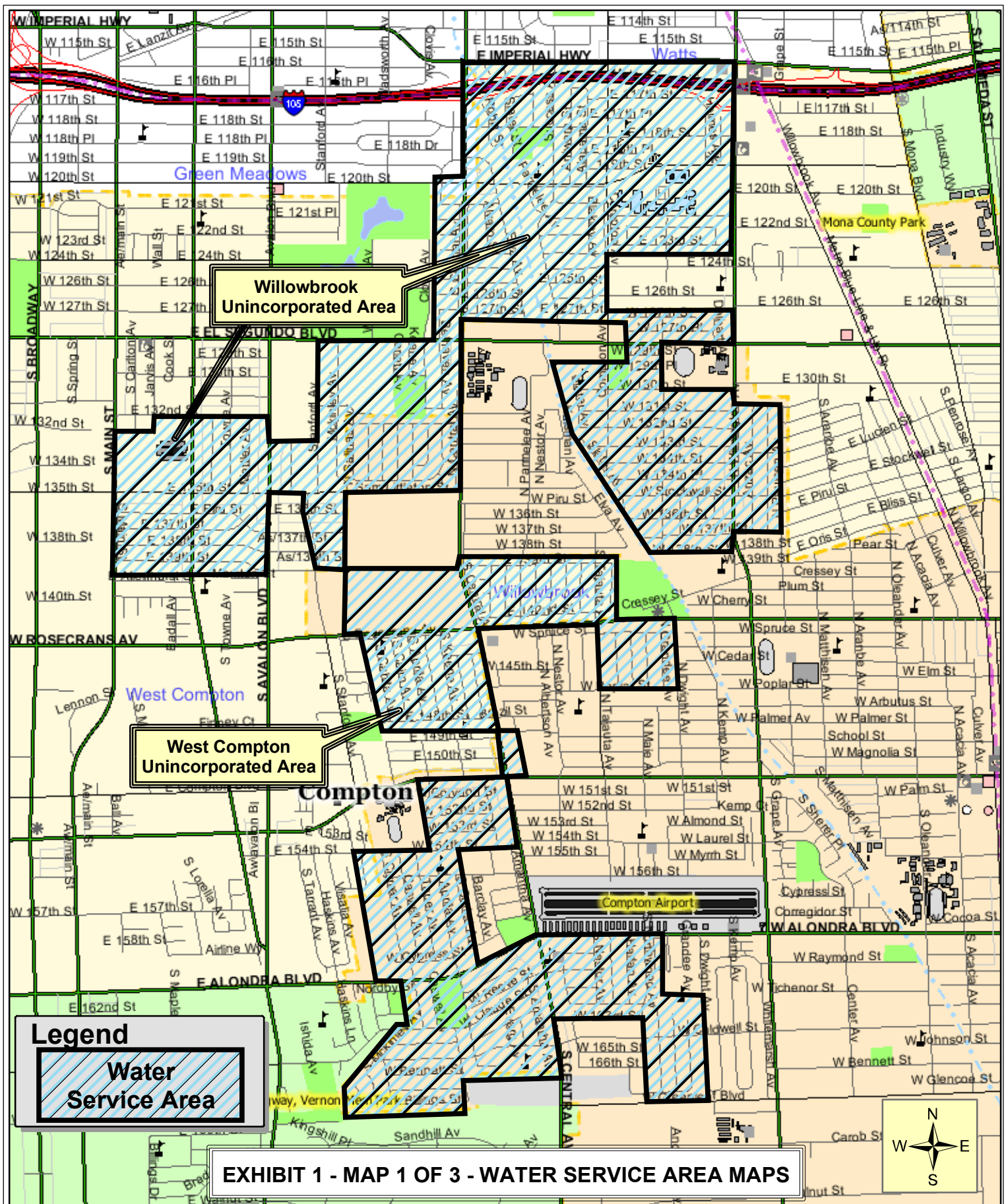
WATER SERVICE AREA MAPS

THREE PAGES OF WATER SERVICE AREA MAPS

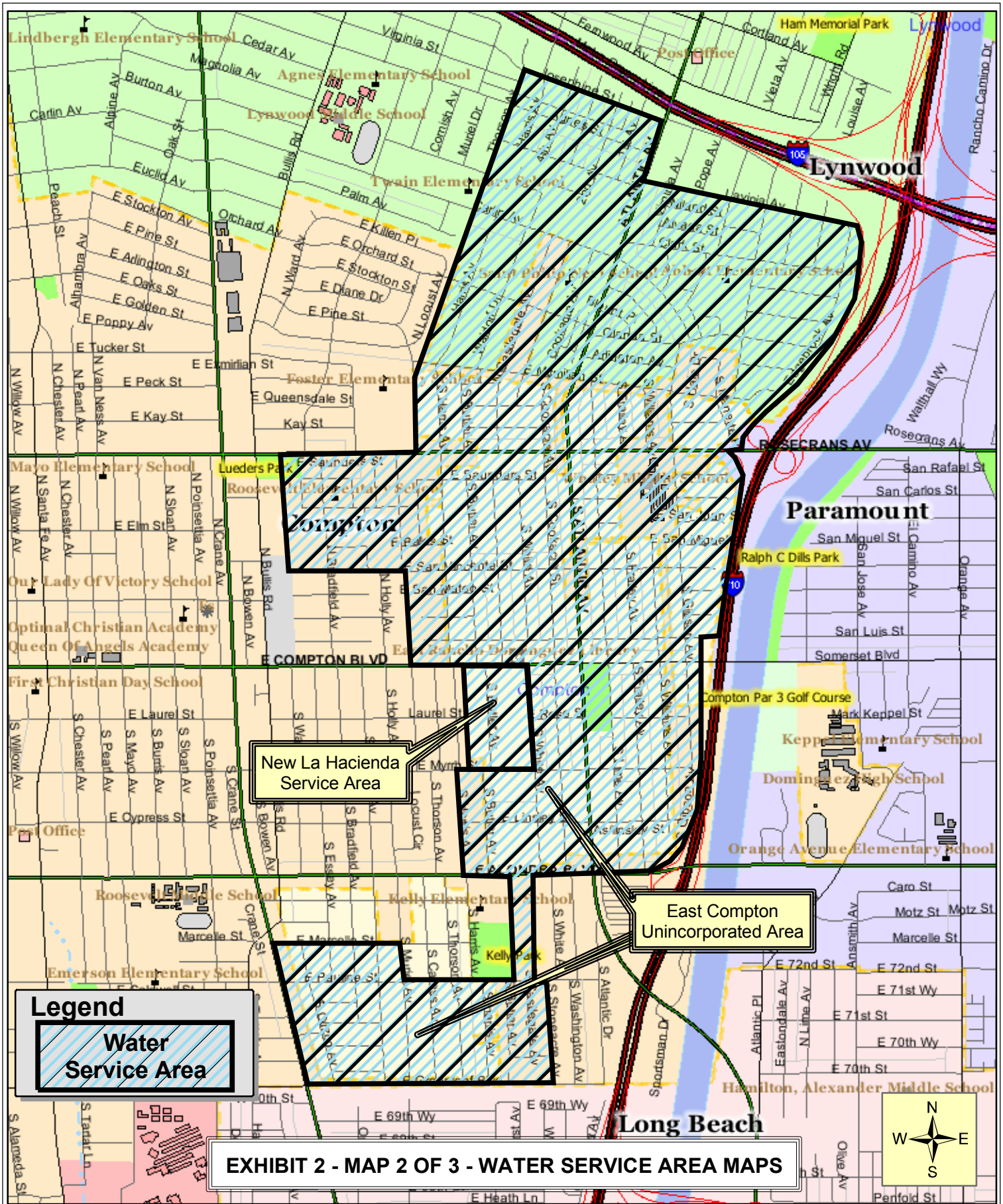
PARK WATER COMPANY

The recommendation to the Board of Supervisors is to amend the water pipeline franchise granted to Park Water Company, a Countywide water pipeline franchise.

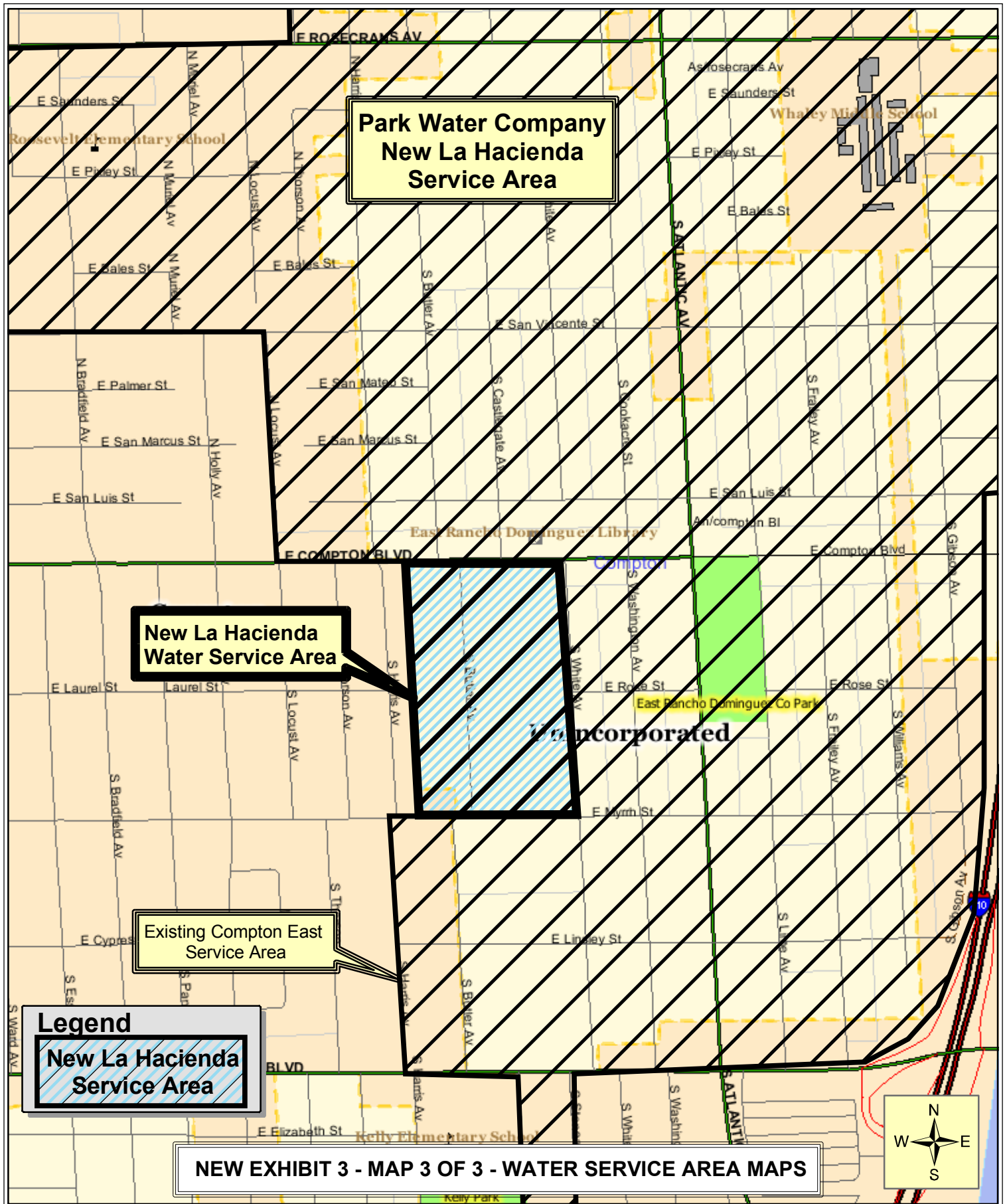
These maps illustrate the unincorporated areas affected by the franchise and are provided for the convenience of the reader.



Date April 2007	COUNTY OF LOS ANGELES - CHIEF ADMINISTRATIVE OFFICE Park Water Company / County-wide Public Utility Water Franchise West Compton Water Service Area	Amend Park Water Co. Ord. 2005-0077F
Sup Districts 2nd District		Agent R. Ball



Date April 2007	COUNTY OF LOS ANGELES - CHIEF ADMINISTRATIVE OFFICE Park Water Company / County-wide Public Utility Water Franchise East Compton Water Service Area	Amend Park Water Co. Ord. 2005-0077F
Sup Districts 2nd District		Agent R. Ball



<p>Date April 2007</p> <p>Sup Districts 2nd District</p>	<p>COUNTY OF LOS ANGELES - CHIEF ADMINISTRATIVE OFFICE Park Water Company / County-wide Public Utility Water Franchise New La Hacienda Service Area & Compton East Water Service Area</p>	<p>Amend Park Water Co. Ord. 2005-0077F</p> <p>Agent R. Ball</p>
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ATTACHMENT 1

**AN ORDINANCE TO AMEND THE WATER PIPELINE FRANCHISE
GRANTED TO PARK WATER COMPANY
BY ORDINANCE NO. 2005-0077F**

ANALYSIS

This ordinance amends the water pipeline franchise granted to Park Water Company ("Franchisee"), by Ordinance No. 2005-0077F, to reflect the Franchisee's purchase of the water pipeline distribution system of La Hacienda Mutual Water Company, and to include in the Franchisee's water service area, the unincorporated territory formerly served by La Hacienda Mutual Water Company. Franchisee has paid a one-time processing fee of \$2,500 to process an ordinance to amend Ordinance No. 2005-0077F.

RAYMOND G. FORTNER, JR.
County Counsel

By 
RICHARD D. WEISS
Assistant County Counsel
Property Division

RDW:gl

05/02/07 (requested)

05/02/07 (revised)

ORDINANCE NO. _____

An ordinance to amend the water pipeline franchise granted to Park Water Company ("Franchisee"), by Ordinance No. 2005-0077F, to reflect the Franchisee's purchase of the water pipeline distribution system of La Hacienda Mutual Water Company, and to include in the Franchisee's water service area, the unincorporated territory formerly served by La Hacienda Mutual Water Company.

The Board of Supervisors of the County of Los Angeles ordains as follows:

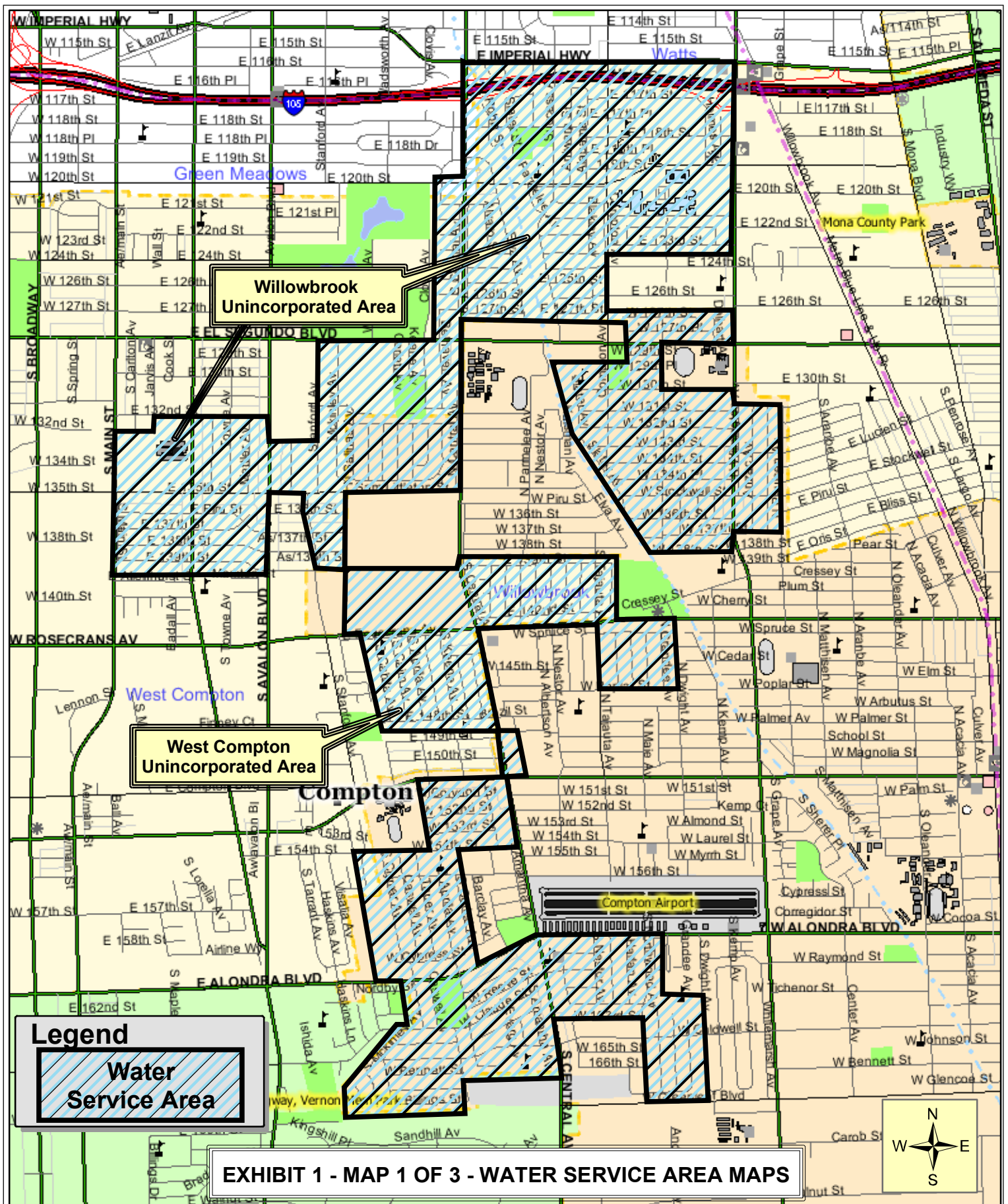
SECTION 1. Section 1 of Ordinance No. 2005-0077F, is hereby amended to read as follows:

SECTION 1. Franchise Term, Grant.

A. The right, privilege, and franchise is granted to Park Water Company, a California public utility corporation ("Franchisee"), and its successors and assigns, for the period of fifteen (15) years, beginning on November 28, 2005, the effective date of this franchise, to lay, construct, reconstruct, maintain, operate, renew, repair, change the size of, remove, or abandon in place pipes and pipelines for the transportation of water, waste water, mud, and other liquid substances, including those substances that are generally accepted as appropriate for the treatment of water, excluding any hazardous substances or hazardous waste within the meaning of the "Comprehensive Environmental Response Compensation and Liability Act of 1980," 42 U.S.C. 9601 et seq., and amendments thereto (provided, however, that this exclusion shall not apply to substances in such amount that are generally accepted as appropriate for the treatment of water), together with all manholes, valves, cathodic protection systems,

appurtenances, and service connections necessary or appropriate for the operation of said pipes or pipelines, including poles, conduits, wires, cables, or other appurtenances and equipment for telegraph or telephone lines, or both, necessary or appropriate for the Franchisee's operations in, under, along, or across any and all highways as defined in Section 16.36.080 of the Los Angeles County Code, now or hereafter dedicated to public use in the unincorporated territory of the County of Los Angeles ("County"), State of California, for the Franchisee's water service areas in the Compton West and Compton East unincorporated areas, including the Compton East unincorporated area formerly served by La Hacienda Mutual Water Company, as depicted on Exhibit 1, and Exhibit 2, and Exhibit 3, attached hereto, and any additional unincorporated territory of the County that may be added to the Franchisee's water service areas during the term of the franchise.

[PARKWATERCOFRN]



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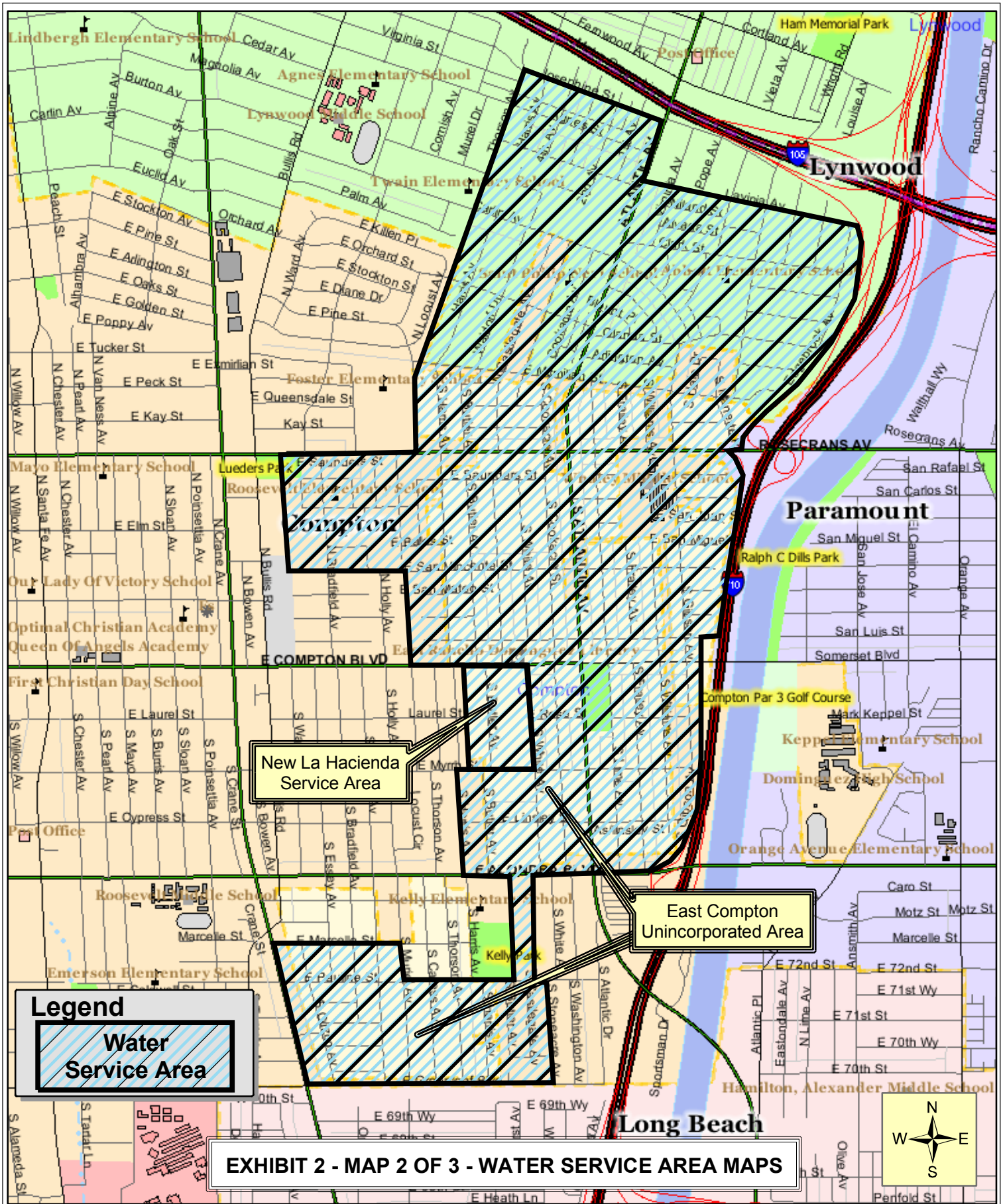
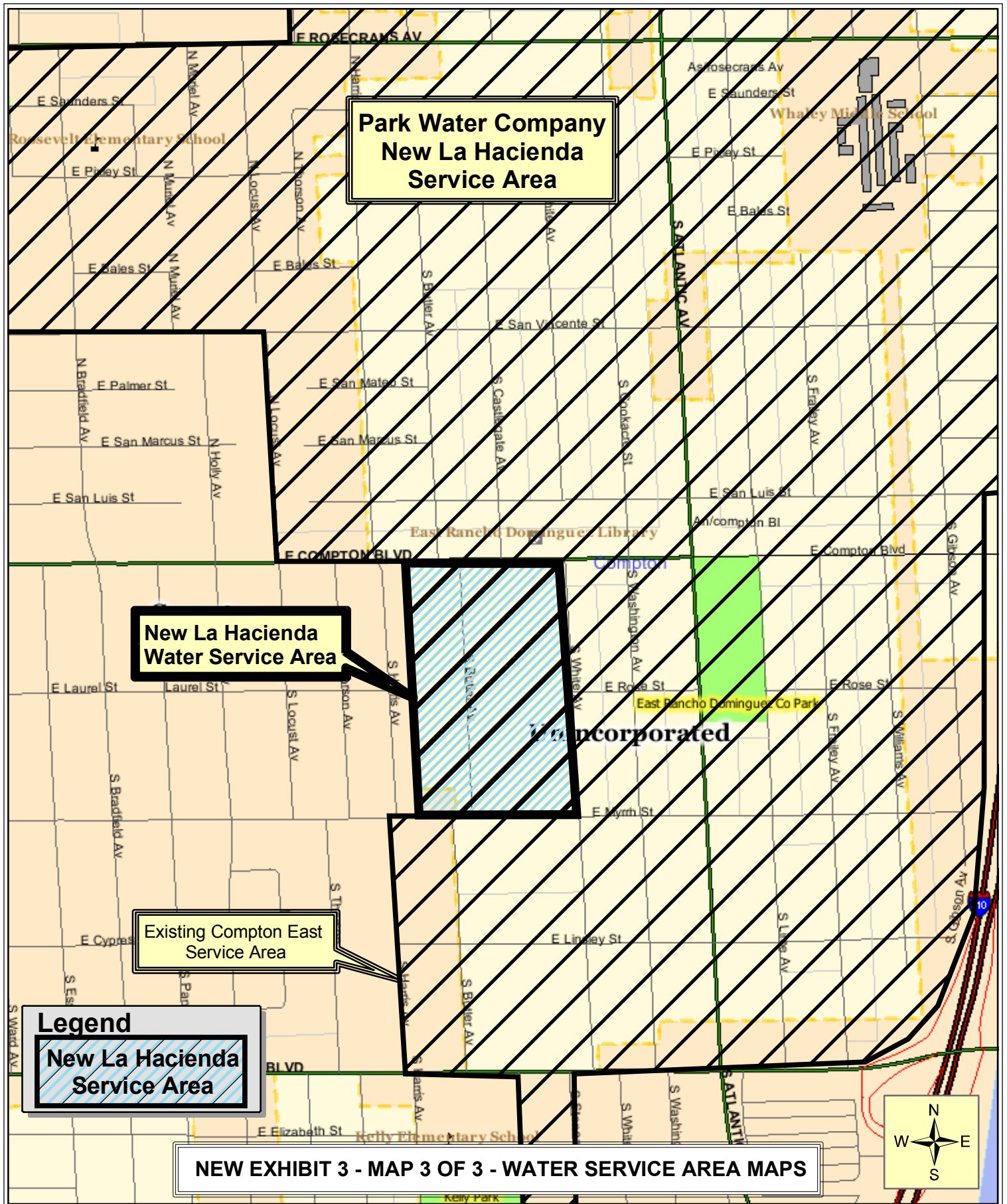


EXHIBIT 2 - MAP 2 OF 3 - WATER SERVICE AREA MAPS

<p>Date April 2007</p>	<p>COUNTY OF LOS ANGELES - CHIEF ADMINISTRATIVE OFFICE Park Water Company / County-wide Public Utility Water Franchise East Compton Water Service Area</p>	<p>Amend Park Water Co. Ord. 2005-0077F</p>
<p>Sup Districts 2nd District</p>		<p>Agent R. Ball</p>



<p>Date April 2007</p> <p>Sup Districts 2nd District</p>	<p>COUNTY OF LOS ANGELES - CHIEF ADMINISTRATIVE OFFICE Park Water Company / County-wide Public Utility Water Franchise New La Hacienda Service Area & Compton East Water Service Area</p>	<p>Amend Park Water Co. Ord. 2005-0077F</p> <p>Agent R. Ball</p>
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